GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4174
ANSWERED ON:22.04.2008
TAX FREE IMPORT OF VARIOUS PRODUCTS
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Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has permitted tax free import of various products particularly, vegetable oils during each of the last three years and in the current year, till date;

(b) if so, the details thereof, product-wise;

(c) whether this is causing financial losses to the domestic industry;

(d) if so, the details thereof; and

(e) the reasons for not adopting uniform tax policy for the industry?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

a) & b) Details of customs duty rates made 'NIL" since June, 2006 in respect of edible oils and certain other commodities are as under:

Pulses: Basic Customs Duty reduced from 10% to NIL on 08.06.06, valid upto 31.3.2009;

Sugar: Basic customs duty was reduced from 60% to NIL on 23.6.2006, which was valid upto 30.9.2006.

Wheat: Basic Customs duty was reduced from 60% to 5%, which was further reduced to NIL, which was valid upto 28.2.2007. NIL rate on wheat was again extended after 30.3.2007 and is now valid without time limit;

Maize: Basic Customs duty was reduced from 60% to NIL on 25.1.2007 valid upto 31.12.2007. Customs duty on maize has again been reduced to Nil w.e.f. 1.4.2008 under TRQ of 5 lakh MT.

Further changes made after Budget 2007 are as follows:
a) Semi-milled and wholly milled rice from 70% to Nil for imports made on or before 31.3.2009;

b) Soya bean oil (crude) from 40% to Nil;

c) Crude Palm oil (including crude palmolein) from 20% to Nil;

d) All other miscellaneous edible oils (crude) such as coconut oil, ground nut, etc. to Nil;

c) & d) As regards financial losses to the domestic industry, no such report has been received.

e) Tax policy across the commodities depends on various factors including the international and domestic prices, the interests of the consumers, the impact on domestic producers, administrative feasibility of collection and revenue and hence it cannot be uniform across the board.